

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other				Local Government Name		County	
Audit Date		Opinion Date		Date Accountant Report Submitted to State:			

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☐ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☐ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☐ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☐ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☐ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☐ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☐ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☐ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			
Reports on individual federal financial assistance programs (program audits).			
Single Audit Reports (ASLGU).			

Certified Public Accountant (Firm Name)				
Street Address		City	State	ZIP Code
Accountant Signature			Date	

PUTNAM TOWNSHIP

REPORT ON AUDIT OF  
FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2004

## **PUTNAM TOWNSHIP**

### **TOWNSHIP OFFICIALS**

Supervisor - Richard Bennett  
Treasurer - G. Richard McCloskey  
Clerk - Sally Guyon

### **TOWNSHIP BOARD OF TRUSTEES**

Sally Guyon  
Pamela Hendee  
Robert Hollister  
Richard Bennett  
G. Richard McCloskey

### **TOWNSHIP ATTORNEY**

Paul Burns

### **TOWNSHIP AUDITORS**

Pfeffer, Hanniford & Palka  
Certified Public Accountants

## TABLE OF CONTENTS

### PAGE NUMBER

INDEPENDENT AUDITORS' REPORT	
MANAGEMENT DISCUSSION AND ANALYSIS	7
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Assets	14
Statement of Activities	15
FUND FINANCIAL STATEMENTS	
Balance Sheets - Governmental Funds	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
NOTES TO FINANCIAL STATEMENTS	20
REQUIRED SUPPLEMENTARY INFORMATION	
Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
General Fund	33
Fire Department Capital Outlay Fund	34
Fire Millage Fund	35
<u>SUPPLEMENTARY INFORMATION</u>	
<u>COMBINING STATEMENTS</u>	
Combining Balance Sheet - All Special Revenue Funds	38
Combining Balance Sheet - All Debt Service Funds	39
Combining Balance Sheet - All Agency Funds	40
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Special Revenue Funds	41
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Debt Service Funds	42
<u>INDIVIDUAL FUNDS</u>	
GENERAL FUND	
Balance Sheet	45
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	46
Statement of Revenues - Budget and Actual	47
Statement of Expenditures - Budget and Actual	48

## TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
UNITY PARK FUND	
Balance Sheet	53
Statement of Revenues, Expenditures and Changes in Fund Balance	54
TOWNSHIP HALL IMPROVEMENT FUND	
Balance Sheet	56
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	57
FIRE DEPARTMENT CAPITAL OUTLAY FUND	
Balance Sheet	59
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	60
FIRE MILLAGE FUND	
Balance Sheet	62
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	63
PATTERSON LAKE SEWER DEBT SERVICE FUND	
Balance Sheet	65
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	66
WASHTENAW COUNTY SEWER SYSTEM NO. 12 DEBT SERVICE FUND	
Balance Sheet	68
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	69
TRUST AND AGENCY FUND	
Balance Sheet	71
CURRENT TAX COLLECTION FUND	
Balance Sheet	73

September 30, 2004

Board of Trustees  
Putnam Township  
131 S. Howell Road  
Pinckney, Michigan 48169

**INDEPENDENT AUDITORS' REPORT**

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Putnam Township as of and for the year ended June 30, 2004, which collectively comprise Putnam Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Putnam Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Putnam Township as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 10, the Township has implemented a new financial reporting model as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as of June 30, 2004.

The Management's Discussion and Analysis and other required supplementary information on pages 33 through 35 and 38 through 73 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Putnam Township's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, such as the combining statements and individual fund statements, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Pfeffer, Hanniford & Palka, P.C.*

**PFEFFER, HANNIFORD & PALKA**  
Certified Public Accountants

MANAGEMENT DISCUSSION  
AND  
ANALYSIS

## Management Discussion and Analysis June 30, 2004

---

Within this section of Putnam Township's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended June 30, 2004. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

### Overview of the Financial Statements

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

### ***Government-wide Financial Statements***

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. Evaluation of the overall health of the Township may extend to various non-financial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net assets changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Governmental activities include such activities as general government, public safety, and planning and zoning departments. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units).



## ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has two kinds of funds:

*Governmental funds* are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of available resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net assets.

*Fiduciary funds* are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

## ***Notes to the financial statements***

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

## ***Other information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

## **Financial Analysis of the Township as a Whole**

The Township has implemented the new financial reporting model used in this report beginning with the current fiscal year ended June 30, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Township as a whole.

The Township's net assets at the end of the fiscal year was \$1,597,600. This is a \$12,485 increase over last year's net assets of \$1,585,115.

The following tables provide a summary of the Township's financial activities and changes in net assets:

### Summary of Net Assets

	Governmental Activities
Current and other assets	\$ 3,635,947
Capital assets	669,139
Total assets	<u>4,305,086</u>
Other liabilities	289,979
Long-term liabilities	2,417,507
Total liabilities	<u>2,707,486</u>
Net assets:	
Invested in capital assets, net of related debt	462,699
Restricted	618,551
Unrestricted	516,350
Total net assets	<u>\$ 1,597,600</u>

### Summary of Changes in Net Assets

	Governmental Activities
Revenues:	
Program revenues	
Charges for services	\$ 63,070
Operating grants and contributions	11,800
General revenues	
State shared revenues	355,180
Property taxes	702,694
Other	224,638
<b>Total revenues</b>	<b>1,357,382</b>
Expenses	
General government	460,298
Fire protection	361,475
Police protection	108,202
Parks and recreation	23,065
Roads	166,342
Interest on long-term debt	225,515
<b>Total expenses</b>	<b>1,344,897</b>
Changes in net assets	12,485
Beginning net assets	1,585,115
Ending net assets	<u>\$ 1,597,600</u>

The Township's net assets increased by \$12,485 during the year, but decreased its overall governmental fund balance by \$97,222. This disparity in equity accounts is attributed to the large amounts paid for debt service. The Township has paid off 2 of its 4 bonds outstanding for sewage system construction. Both of these bond debts that were extinguished are related to the Township's participation in the Portage Base Sewer and Water Authority.

The Township decreased its net capital assets by \$39,812 during the year ended due to the large depreciation expense (\$78,133) offset by asset purchases of only \$38,321.

## Financial Analysis of the Township's Funds

Putnam Township reported 4 major funds for the year ended June 30, 2004. These funds included:

- General Fund
- Fire Capital Outlay Fund
- Fire Millage Fund
- Patterson Lake Fund

The General Fund decreased its fund balance \$26,137 during the year primarily due to a decrease in state revenue sharing and increased expenditures for legal fees, road projects, and police protection.

Both the Fire Capital Outlay Fund and Patterson Lake Fund had little activity except the repayment on debt. The Fire Capital Outlay Fund decreased its fund balance by \$51,993 as opposed to the Patterson Lake fund increasing its fund balance by \$22,658.

## General Fund Budgetary Highlights

The Township approved a budget prior to the start of the fiscal year, and made an immaterial amendment during the year to bring it closer to economic reality. However, expenditures exceeded appropriations in the planning commission department by \$8,388.

## Capital Asset and Debt Administration

The Township paid \$426,147 in principal and \$225,515 in interest to service the long-term debt of the Township. During the year the bond debt for the Township's participation in the Portage Base Lakes Area Water and Sewer Authority was paid off.

The Township purchased \$38,321 of equipment related to the parks and recreation activities in Unity Park. Total depreciation expense for all governmental activities totaled \$78,133 for the year ended June 30, 2004.

## Economic Conditions and Future Activities

The Township anticipates closing its debt service fund related to the repayment of the bonds related to the Portage Base Lakes Area Water and Sewer Authority. Also, future decreases in state revenue sharing could have a substantial effect on operations for subsequent periods.

## Contacting the Authority's Financial Management

This report is designed to provide a general overview of the Township's financial position and comply with finance-related regulations. If you have any further questions about this report or request additional information please contact Putnam Township at 131 S. Howell Road, Pinckney, MI 48169.

BASIC  
FINANCIAL  
STATEMENTS

GOVERNMENT - WIDE  
FINANCIAL  
STATEMENTS

PUTNAM TOWNSHIP  
STATEMENT OF NET ASSETS  
JUNE 30, 2004

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,691,255
Receivables	
Special assessments	1,532,744
State shared revenues	118,847
Accounts	293,101
Capital assets	
Land	5,001
Building and improvements	209,001
Vehicles and equipment	1,150,245
Less: accumulated depreciation	<u>(695,108)</u>
Total assets	<u>4,305,086</u>
<b>LIABILITIES</b>	
Accounts payable	289,979
Capital lease payable	206,440
Bonds payable	<u>2,211,067</u>
Total liabilities	<u>2,707,486</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	462,699
Restricted for debt service	618,551
Unrestricted	<u>516,350</u>
Total net assets	<u><u>\$ 1,597,600</u></u>

The notes of the financial statements are an integral part of this statement.

PUTNAM TOWNSHIP  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2004

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
GOVERNMENTAL ACTIVITIES				
General government	\$ (460,298)	\$ 26,665	\$ 11,800	\$ (421,833)
Fire protection	(361,475)	36,405		(325,070)
Police protection	(108,202)			(108,202)
Parks and recreation	(23,065)			(23,065)
Roads	(166,342)			(166,342)
Interest on long-term debt	(225,515)			(225,515)
Total governmental activities	<u>\$ (1,344,897)</u>	<u>\$ 63,070</u>	<u>\$ 11,800</u>	<u>(1,270,027)</u>
General Revenues:				
				702,694
Property taxes				355,180
State shared revenues				104,734
Unrestricted investment earnings				119,904
Other revenues				<u>1,282,512</u>
Total general revenues				<u>1,282,512</u>
Change in net assets				12,485
Net assets, July 1, 2003				<u>1,585,115</u>
Net assets, June 30, 2004				<u>\$ 1,597,600</u>

The notes of the financial statements are an integral part of this statement.



FUND FINANCIAL  
STATEMENTS

PUTNAM TOWNSHIP  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30 2004

	<u>General</u>	<u>Fire Capital Outlay</u>	<u>Fire Millage</u>	<u>Patterson Lake</u>	<u>Other Non-major Funds</u>	<u>Total</u>
<u>ASSETS</u>						
ASSETS						
Cash and cash equivalents	\$ 475,562	\$ 117,944	\$ 365,858	\$ 469,036	\$ 262,855	\$ 1,691,255
Receivables						
Special assessments				1,532,744		1,532,744
State shared revenues	118,847					118,847
Accounts	9,655	360	792			10,807
Due from other funds	<u>282,294</u>					<u>282,294</u>
Total assets	<u>\$ 886,358</u>	<u>\$ 118,304</u>	<u>\$ 366,650</u>	<u>\$ 2,001,780</u>	<u>\$ 262,855</u>	<u>\$ 3,635,947</u>
<u>LIABILITIES AND FUND BALANCE</u>						
LIABILITIES						
Accounts payable	\$ 10,074	\$	\$ 1	\$	\$ 264	\$ 10,339
Due to other funds			279,640			279,640
Deferred revenues				<u>1,532,744</u>		<u>1,532,744</u>
Total liabilities	<u>10,074</u>		<u>279,641</u>	<u>1,532,744</u>	<u>264</u>	<u>1,822,723</u>
FUND BALANCES						
Unreserved	875,881	118,304	87,009		113,076	1,194,270
Designated	403					403
Reserved for debt service				<u>469,036</u>	<u>149,515</u>	<u>618,551</u>
Total fund balances	<u>876,284</u>	<u>118,304</u>	<u>87,009</u>	<u>469,036</u>	<u>262,591</u>	<u>1,813,224</u>
Total liabilities and fund balances	<u>\$ 886,358</u>	<u>\$ 118,304</u>	<u>\$ 366,650</u>	<u>\$ 2,001,780</u>	<u>\$ 262,855</u>	<u>\$ 3,635,947</u>

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance per balance sheet \$ 1,813,224

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of capital assets 1,364,247  
Depreciation (695,108)

Capital assets net of depreciation 669,139

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:

Capital leases payable (206,440)  
Bonds payable (2,211,067)

Total (2,417,507)

Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.

1,532,744

Net assets of governmental activities \$ 1,597,600

The notes to the financial statements are an integral part of this statement.

PUTNAM TOWNSHIP  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2004

	General	Fire Capital Outlay	Fire Millage	Paterson Lake	Other Non-major Funds	Total
REVENUES						
Taxes	\$ 247,574	\$ 129,934	\$ 325,186	\$	\$	\$ 702,694
Special assessments				257,577	108,146	365,723
State shared revenues	355,180					355,180
Grant - seniors	11,800					11,800
Charges for services	63,070					63,070
Interest	5,863	1,306	2,462	4,347	1,661	15,639
Miscellaneous	83,055				36,849	119,904
Total revenues	<u>766,542</u>	<u>131,240</u>	<u>327,648</u>	<u>261,924</u>	<u>146,656</u>	<u>1,634,010</u>
EXPENDITURES						
General government	456,892	2,369				459,261
Fire protection	279,642		6,014			285,656
Police protection	108,202					108,202
Parks and recreation					60,109	60,109
Roads	166,342					166,342
Debt service		217,269		239,266	195,127	651,662
Total expenditures	<u>1,011,078</u>	<u>219,638</u>	<u>6,014</u>	<u>239,266</u>	<u>255,236</u>	<u>1,731,232</u>
Excess of revenues over (under) expenditures	<u>(244,536)</u>	<u>(88,398)</u>	<u>321,634</u>	<u>22,658</u>	<u>(108,580)</u>	<u>(97,222)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	279,640	36,405			24,836	340,881
Transfers (out)	(61,241)		(279,640)			(340,881)
Total other financing sources (uses)	<u>218,399</u>	<u>36,405</u>	<u>(279,640)</u>		<u>24,836</u>	
Excess of revenues over (under) expenditures and other financing sources (uses)	<u>(26,137)</u>	<u>(51,993)</u>	<u>41,994</u>	<u>22,658</u>	<u>(83,744)</u>	<u>(97,222)</u>
FUND BALANCE, JULY 1, 2003	<u>902,421</u>	<u>170,297</u>	<u>45,015</u>	<u>446,378</u>	<u>346,335</u>	<u>1,910,446</u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 876,284</u>	<u>\$ 118,304</u>	<u>\$ 87,009</u>	<u>\$ 469,036</u>	<u>\$ 262,591</u>	<u>\$ 1,813,224</u>

Amounts reported for governmental activities in the statement activities are different because:

Net change in fund balances - governmental funds \$ (97,222)

Governmental funds report capital assets as expenditures. However, in the Statement of Activities, the cost of these are allocated over other useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:

Capital outlay	\$ 38,321
Depreciation expense	<u>(78,133)</u>

Total (39,812)

Repayment of bond and contracts payables is an expenditure in governmental funds, but the repayment deducts long-term liabilities in the Statement of Net Assets

Repayment of:	
Bonds payable	328,233
Contracts payable	<u>97,914</u>

Total 426,147

Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities.

Principal collected on assessments (276,628)

Changes in net assets of governmental activities \$ 12,485

The notes to the financial statements are an integral part of this statement.

NOTES  
TO  
FINANCIAL  
STATEMENTS

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Putnam Township conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental fund types are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The government-wide Statement of Net Assets reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are required to be displayed in three components: 1) invested in capital assets 2) restricted, and 3)unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net assets are those with constraints place on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Fire Capital Outlay accounts for the activity associated with the purchasing of capital assets for the fire department. This fund is supported by property taxes approved from a separately voted millage.

The Fire Millage Fund accounts for the activities related to the transfers made to the General Fund to finance the fire department operations. This fund is supported by property taxes approved by a separate voted millage.

Patterson Lake Fund accounts for the activities related to the special assessments collected and related debt service of the sewer project at Patterson Lake.

**B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The governmental fund financial statements are prepared on a modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- A. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, licenses, fees and permits, intergovernmental revenues, charges for services and interest.
- B. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
- C. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balances as a measure of available spendable resources.

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs.

**C. BUDGETARY DATA**

The board of trustees follow the procedures as outlined in the Uniform Budgeting manual for Local Units of Government in Michigan in the establishment of the various annual budgets.

The budget is approved by activity, rather than by line item. If and when it becomes necessary to amend certain amounts in the budget, a proposal outlining the desired changes is made to and approved by the township board at any of their regular meetings. Budget appropriations made, but not expended by year end, will lapse with the fiscal year end.

For the year ended June 30, 2004, expenditures exceeded appropriations for several functional activities. The Township did not approve budgets for all special revenue funds. This is a violation of Public Act 493 of 2000.

**D. PROPERTY TAX REVENUE RECOGNITION**

The Township property tax is levied each December 1 on the taxable valuation of property located in the Township as of the preceding December 31. Taxable values are established annually by the county and are equalized by the state at an estimated 50 percent of current market value. Real and personal property in the township for the 2003 levy was assessed at adjusted taxable value of \$269,257,150. The Township's general operating tax rate for the 2003 levy was .9174 mill and special fire millage was 1.6914. Taxes are due and payable by February 28. Delinquent real property taxes are returned to the County Treasurer for collection. In May 2004, the county revolving fund paid the Township for the delinquent real taxes.

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. PERSONAL PROPERTY TAX ASSESSMENTS AND APPEALS

Michigan personal property tax assessments have been based, since the 1960's, on the use of one or more of several different multiplier tables formulated by the State Tax Commission against taxpayer reported original cost, depending on the assessor's view of the average life of the personal property. The State Tax Commission has indicated that it plans to reformulate the multipliers. The State Tax Tribunal has informally indicated that once the new multipliers are approved, it may allow them to be applied retroactively in pending personal property tax appeals.

F. CAPITAL ASSETS

Under GASB Statement No. 34, all capital assets whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Land is considered a capital asset regardless of initial cost. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures and improvements	10 to 50 years
Machinery and equipment	5 to 40 years

Any capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

G. MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 2 - FINANCIAL REPORTING ENTITY

The criteria established by GASB Statement No. 39 for various governmental organizations to be included in the reporting entity's financial statements include accountability, control, and significant financial relationships.

In accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 39, certain other governmental organizations are not considered to be part of the reporting entity for financial statement purposes.

The accompanying financial statements of Putnam Township as of June 30, 2004, include any and all boards, agencies, funds and account groups under the jurisdiction of the Putnam Township Board. As further discussed in Note 7, Putnam Township is one of four governmental units that has formed the Portage Base Lakes Area Water & Sewer Authority and has joined Multi-Lakes Sewer and Water Authority. There are separate audits completed for these authorities:

1. The Pinckney Community Library was determined not to be a component unit based on the criteria of GASB 39. A separate audit is conducted for this entity.
2. The Pinckney Fire Fighters Association is not included in the financial statements, and was determined not to be a component unit based on the criteria of GASB 39. The Association is in the process of obtaining tax exempt status from the Internal Revenue Service.
3. The Downtown Development Authority is not part of the financial statements, but is a part of the Village of Pinckney.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2004 was as follows:

	BALANCE JULY 1, 2003	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2004
Land	\$ 5,001	\$	\$	\$ 5,001
Buildings and improvements	209,001			209,001
Machinery and equipment	<u>1,111,924</u>	<u>38,321</u>	<u>          </u>	<u>1,150,245</u>
Total capital assets	1,325,926	38,321		1,364,247
Accumulated depreciation	<u>(616,975)</u>	<u>(78,133)</u>	<u>          </u>	<u>(695,108)</u>
Governmental activities capital asset, net	<u>\$ 708,951</u>	<u>\$ (39,812)</u>	<u>\$</u>	<u>\$ 669,139</u>

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 3 - CAPITAL ASSETS - continued

Depreciation expense is being recorded in the government-wide Statement of Activities based upon the fund and activity utilizing the assets. The Township utilizes the straight line method to depreciate capital assets over their estimated useful lives. No debt is associated with these capital assets. Depreciation expense was allocated to the following activities:

Fire protection	\$ 75,819
General government	1,037
Parks and recreation	<u>1,277</u>
	<u>\$ 78,133</u>

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

The amounts of interfund receivables and payables are as follows:

<u>FUND</u>	<u>INTERFUND RECEIVABLES</u>	<u>FUND</u>	<u>INTERFUND PAYABLES</u>
General Fund	\$ 279,640	Fire Millage Fund	\$ 279,640
General Fund	2,545	Current Tax Fund	2,545
General Fund	<u>109</u>	Trust and Agency Fund	<u>109</u>
Total	<u>\$ 282,294</u>	Total	<u>\$ 282,294</u>

NOTE 5 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit union, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers; acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township maintains a \$100 imprest petty cash account.

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

The Township's deposits and investments are in accordance with statutory authority.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's deposits and investments are as follows:

<u>Deposits</u>	<u>Primary Government</u>	<u>Fiduciary Activities</u>	<u>Total</u>	<u>Bank Balance</u>
Insured	\$ 300,000	\$	\$ 300,000	\$ 300,000
Uninsured and uncollateralized	<u>1,391,155</u>	<u>18,091</u>	<u>1,409,246</u>	<u>1,435,352</u>
Total deposits	<u>\$ 1,691,155</u>	<u>\$ 18,091</u>	<u>\$ 1,709,246</u>	<u>\$ 1,735,352</u>

NOTE 6 - LONG-TERM OBLIGATIONS

DEBT RELATED TO PORTAGE BASE LAKES AREA AUTHORITY

Putnam Township, along with Hamburg Township, located in Livingston County and Dexter and Webster Townships located in Washtenaw County, are member townships of the Portage Base Lakes Area Water and Sewer Authority. The authority was formed pursuant to Act. No. 233, Public Acts of Michigan, 1955 as amended, for the purpose of taking necessary action to construct a sewer system to serve inhabitants of the municipalities.

The municipalities have each created a special assessment district for those properties benefited by the project within each municipality. The first assessment was due December 1, 1989, and continues through December 1, 2004.

On June 1, 1990, the member townships entered into a contract with Washtenaw County, Department of Public Works (DPW) for the financing of the acquisition and construction of the system.

Each local unit directly pays to the county DPW its share of the principal and interest on the bonds. Such payments will be made solely from the special assessments and rates and charges collected in the project service areas with no local units full faith and credit pledged for such payments.

The member townships have the following approximate shares:

Dexter Township	32.47
Webster Township	8.04
Hamburg Township	35.30
Putnam Township	<u>24.19</u>
Total	<u>100.00</u>

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 6 - LONG-TERM OBLIGATIONS

DEBT RELATED TO PORTAGE BASE LAKES AREA AUTHORITY - (continued)

Putnam Township has created the Washtenaw County Sewer System No. 12 special assessment debt service fund to account for the collection of special assessments and payment of the principal and interest on the contractual obligation.

The authority will operate and maintain the system. As long as there is no default under the contract, the county remains the titular owner of the project only to comply with the provision of Act 185.

Upon payment in full of the outstanding principal and interest, the equitable right, title and ownership to the project shall revert to the municipalities in the previously mentioned proportions. Actual right, title and ownership shall be transferred to the authority. The authority has recorded the fixed assets of the system in its financial records. Putnam Township has recorded its portion of the contractual obligation to Washtenaw County DPW in its general long-term debt group of accounts.

DEBT RELATED TO MULTI-LAKES AREA SEWER AUTHORITY

Putnam Township residents on Patterson Lake also connected to the sewer system maintained by the Multi-Lakes Authority during the year. Putnam Township is now also a member of the Multi-Lakes Authority.

Putnam Township created a special assessment district for purposes of constructing the sewer distribution lines to serve the residents on Patterson Lake. Lyndon and Unadilla Townships also created special assessment districts to construct sewer distribution lines to their residents.

Bonds were sold to finance the construction through the Washtenaw County Department of Public Works. The three townships will repay the bonds (debt) through their special assessment districts. The three townships share the debt obligation based on the proportion of REU's (residential equivalent units) it serves which are as follows:

Putnam Township	31.012
Lyndon Township	39.601
Unadilla Township	<u>29.387</u>
Total	<u>100.000</u>

The total bond proceeds were \$7,850,000 of which Putnam Township is responsible for \$2,434,442.

The agreements and administrative functions are similar to the Portage Base Lakes Area scenario explained earlier.

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 6 - LONG-TERM OBLIGATIONS (continued)

The following is a summary of the Township's long-term debt obligations:

1. Loan payable to Washtenaw County for the Sewage Disposal System Bonds, Series I. Payable in annual principal payments in the range of \$26,609 to \$30,237, plus interest of 6.85% to 6.0% paid semi-annually. This loan had matured as of the year ended June 30, 2004.
2. Loan payable to Washtenaw County for the Sewage Disposal System Bonds, Series III. Payable in annual principal payments in the range of \$8,466 to \$9,677, plus interest of 5.9% to 6.0% paid semi-annually. This loan had matured as of the year ended June 30, 2004.
3. Loan payable to Washtenaw County for the Sewage Disposal System Bonds, Series 1990. Payable in annual principal payments in the range of \$129,416 to \$297,537, plus interest of 2% paid semi-annually, maturity date is October 1, 2004.
4. Loan payable to Washtenaw County for the Multi-Lakes Sanitary Sewer System Phase II Bonds, Series 2002; payable in annual principle payments in the range of \$93,036 to \$139,554, plus interest of 3% to 5% paid semi-annually, maturity date is May 1, 2020.
5. Capital lease payable to National City Bank for the purchase of a fire tanker truck, payable in annual principle payments in the range of \$97,914 to \$105,030, plus interest of 3.75% paid annually, maturity date is June 30, 2006.

A summary of the township's long-term obligations as of June 30, 2004, and transactions during the year then ended are as follows:

	Balance at <u>7/1/03</u>	<u>Additions</u>	Principal Payments	Balance at <u>6/30/04</u>
Washtenaw County Sewage - Disposal System Bonds, Series I	\$ 30,238	\$	\$ 30,238	\$
Washtenaw County Sewage - Disposal System Bonds, Series III	9,673		9,673	
Washtenaw County Sewage - Disposal System Bonds, Series 1990	297,537		148,768	148,769
Washtenaw County Sewage - Disposal System - Bonds Multi-Lakes Phase II, Series 2002	2,201,852		139,554	2,062,298
Fire truck - Capital lease	<u>304,354</u>	<u>                    </u>	<u>97,914</u>	<u>206,440</u>
	<u>\$ 2,843,654</u>	<u>\$</u>	<u>\$ 426,147</u>	<u>\$ 2,417,507</u>

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 6 - LONG-TERM OBLIGATIONS (continued)**

The following is a schedule of future principal and interest payments to service the long-term obligations of the Township:

	<u>BONDS PAYABLE</u>		<u>CAPITAL LEASE TANKER TRUCK</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2004 - 2005	\$ 288,323	\$ 89,491	\$ 101,410	\$ 7,370
2005 - 2006	139,554	83,380	105,030	3,750
2006 - 2007	139,554	78,147		
2007 - 2008	139,554	72,477		
2008 - 2009	139,554	66,633		
2009 - 2014	620,240	250,189		
2014 - 2019	620,240	107,116		
2019 - 2020	<u>124,048</u>	<u>3,101</u>		
Totals	<u>\$2,211,067</u>	<u>\$ 750,534</u>	<u>\$ 206,440</u>	<u>\$ 11,120</u>

**NOTE 7 - CONTINGENCIES AND COMMITMENTS**

The Township is involved in various legal actions arising in the normal course of operations. In the opinion of management, such matters will not have a material effect upon the financial position of the Township.

**NOTE 8 - RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 9 - RECONCILIATION OF GOVERNMENT-WIDE STATEMENTS  
TO FUND FINANCIAL STATEMENTS**

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance per balance sheet		\$ 1,813,224
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	1,364,247	
Depreciation	<u>(695,108)</u>	
Capital assets net of depreciation		669,139
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Capital leases payable	(206,440)	
Bonds payable	<u>(2,211,067)</u>	
Total		(2,417,507)
Deferred revenues on special assessments was recognized as revenue in the government-wide statements. Assessments are income as they are assessed.		<u>1,532,744</u>
Net assets of governmental activities		<u>\$ 1,597,600</u>

Amounts reported for governmental activities in the statement activities are different because:

Net change in fund balances - governmental funds		\$ (97,222)
Governmental funds report capital assets as expenditures. However, in the Statement of Activities, the cost of these are allocated over other useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:		
Capital outlay	38,321	
Depreciation expense	<u>(78,133)</u>	
Total		(39,812)
Repayment of bond and contracts payables is an expenditure in governmental funds, but the repayment deducts long-term liabilities in the Statement of Net Assets		
Repayment of:		
Bonds payable	328,233	
Contracts payable	<u>97,914</u>	
Total		426,147
Principal received on special assessments are income as they are levied annually for governmental funds, but they are income when they are levied for the Statement of Activities.		
Principal collected on assessments		<u>(276,628)</u>
Changes in net assets of governmental activities		<u>\$ 12,485</u>

PUTNAM TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 10 - IMPLEMENTATION OF GASB STATEMENT NO. 34

The Township has implemented the standards required by GASB Statement No. 34 for the year ended June 30, 2004. All required statements and disclosures have been included in the basic financial statements.



REQUIRED  
SUPPLEMENTARY  
INFORMATION

PUTNAM TOWNSHIP  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	Budgets		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 244,000	\$ 244,000	\$ 247,574	\$ 3,574
Licenses and permits	8,500	12,500	12,937	437
State shared revenues	360,000	358,833	355,180	(3,653)
Charges for services	56,205	61,500	63,070	1,570
Miscellaneous	76,681	64,681	87,781	23,100
Total revenues	745,386	741,514	766,542	25,028
EXPENDITURES				
Township board	100,871	100,871	96,826	4,045
Supervisor	33,750	33,750	32,986	764
Assessor	47,500	47,500	45,464	2,036
Election	3,000	3,000	1,110	1,890
Clerk	39,250	39,250	36,675	2,575
Board of review	2,500	2,500	1,100	1,400
Treasurer	58,750	58,750	58,290	460
Cemetery	2,000	2,000	1,400	600
Township hall	61,720	61,720	50,898	10,822
Public safety-fire department	289,000	289,000	279,642	9,358
Public safety-police	111,000	111,000	108,202	2,798
Unallocated	58,300	48,300	45,255	3,045
Highways, streets and bridges	200,000	200,000	166,342	33,658
Planning commission	70,500	78,500	86,888	(8,388)
Total expenditures	1,078,141	1,076,141	1,011,078	65,063
Excess of revenues over (under) expenditures	(332,755)	(334,627)	(244,536)	90,091
OTHER FINANCING SOURCES (USES)				
Operating transfer in	300,000	300,000	279,640	(20,360)
Operating transfer (out)	(60,486)	(60,486)	(61,241)	(755)
Total other financing sources (uses)	239,514	239,514	218,399	(21,115)
Excess of revenues over (under) expenditures and other financing sources (uses)	(93,241)	(95,113)	(26,137)	68,976
FUND BALANCE, JULY 1, 2003	902,421	902,421	902,421	
FUND BALANCE, JUNE 30, 2004	\$ 809,180	\$ 807,308	\$ 876,284	\$ 68,976

PUTNAM TOWNSHIP  
FIRE DEPARTMENT CAPITAL OUTLAY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	Budgets		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fire millage	\$	\$	\$ 129,934	\$
Interest			1,306	
Total revenues	126,000	126,000	131,240	5,240
EXPENDITURES				
Downtown development			2,369	
Debt service				
Principal			199,805	
Interest			17,459	
Bank charges			5	
Total expenditures	101,891	101,891	219,638	(117,747)
Excess of revenues over (under) expenditures	24,109	24,109	(88,398)	(112,507)
OTHER FINANCING SOURCES				
Transfer in	30,000	30,000	36,405	6,405
Excess of revenues over (under) expenditures and other financing sources	54,109	54,109	(51,993)	(106,102)
FUND BALANCE, JULY 1, 2003	170,297	170,297	170,297	
FUND BALANCE, JUNE 30, 2004	\$ 224,406	\$ 224,406	\$ 118,304	\$ (106,102)

PUTNAM TOWNSHIP  
FIRE MILLAGE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	Budgets		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fire millage	\$	\$	\$ 325,186	\$
Interest			2,462	
Total revenues	312,000	312,000	327,648	15,648
EXPENDITURES				
Downtown development			5,928	
Miscellaneous			86	
Total expenditures	10,000	10,000	6,014	3,986
Excess of revenues over (under) expenditures	302,000	302,000	321,634	19,634
OTHER FINANCING (USES)				
Transfers (out)	(285,000)	(285,000)	(279,640)	5,360
Excess of revenues over (under) expenditures and other financing (uses)	17,000	17,000	41,994	24,994
FUND BALANCE, JULY 1, 2003	45,015	45,015	45,015	
FUND BALANCE, JUNE 30, 2004	\$ 62,015	\$ 62,015	\$ 87,009	\$ 24,994

SUPPLEMENTARY  
INFORMATION

COMBINING  
STATEMENTS

PUTNAM TOWNSHIP  
COMBINING BALANCE SHEET  
ALL SPECIAL REVENUE FUNDS  
JUNE 30, 2004

	<u>Unity Fund</u>	<u>Township Hall Improvement Fund</u>	<u>Fire Capital Outlay</u>	<u>Fire Millage</u>	<u>Total</u>
<u>ASSETS</u>					
ASSETS					
Cash	\$ 5,192	\$ 107,884	\$ 117,944	\$ 365,858	\$ 596,878
Due from others			360	792	1,152
Total assets	<u>\$ 5,192</u>	<u>\$ 107,884</u>	<u>\$ 118,304</u>	<u>\$ 366,650</u>	<u>\$ 598,030</u>
<u>LIABILITIES AND FUND BALANCE</u>					
LIABILITIES					
Due to other funds	\$	\$	\$	\$ 279,640	\$ 279,640
Due to others				1	1
Total liabilities				279,641	279,641
FUND BALANCE	<u>5,192</u>	<u>107,884</u>	<u>118,304</u>	<u>87,009</u>	<u>318,389</u>
Total liabilities and fund balance	<u>\$ 5,192</u>	<u>\$ 107,884</u>	<u>\$ 118,304</u>	<u>\$ 366,650</u>	<u>\$ 598,030</u>

PUTNAM TOWNSHIP  
COMBINING BALANCE SHEET  
ALL DEBT SERVICE FUNDS  
JUNE 30, 2004

	<u>Patterson Lake</u>	<u>Washtenaw County Sewer</u>	<u>Total</u>
<u>ASSETS</u>			
ASSETS			
Cash	\$ 469,036	\$ 149,779	\$ 618,815
Special assessment receivable	95,796		95,796
Deferred special assessment	<u>1,436,948</u>		<u>1,436,948</u>
Total assets	<u>\$ 2,001,780</u>	<u>\$ 149,779</u>	<u>\$ 2,151,559</u>
<u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Deferred revenue	\$ 1,532,744	\$	\$ 1,532,744
Due to others		<u>264</u>	<u>264</u>
Total liabilities	1,532,744	264	1,533,008
FUND BALANCE	<u>469,036</u>	<u>149,515</u>	<u>618,551</u>
Total liabilities and fund balance	<u>\$ 2,001,780</u>	<u>\$ 149,779</u>	<u>\$ 2,151,559</u>



PUTNAM TOWNSHIP  
COMBINING BALANCE SHEET  
ALL AGENCY FUNDS  
JUNE 30, 2004

	Trust and Agency	Current Tax	Totals
<u>ASSETS</u>			
ASSETS	\$ 14,763	\$ 3,328	\$ 18,091
Cash			
 <u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Due to others	\$ 14,654	\$ 783	\$ 15,437
Due to other funds	109	2,545	2,654
Total liabilities	\$ 14,763	\$ 3,328	\$ 18,091

PUTNAM TOWNSHIP  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - ALL SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2004

	Unity Park Fund	Township Hall Improvement Fund	Fire Department Capital Outlay
	<u>          </u>	<u>          </u>	<u>          </u>
REVENUES			
Fire millage	\$	\$	\$ 129,934
Interest income		653	1,306
Other	<u>36,849</u>	<u>          </u>	<u>          </u>
Total revenues	<u>36,849</u>	<u>653</u>	<u>131,240</u>
EXPENDITURES			
Parks and recreation	60,109		
Fire protection	<u>          </u>	<u>          </u>	<u>219,638</u>
Total expenditures	<u>60,109</u>	<u>          </u>	<u>219,638</u>
Excess of revenues over (under) expenditures	<u>(23,260)</u>	<u>653</u>	<u>(88,398)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		24,836	36,405
Transfers (out)	<u>          </u>	<u>          </u>	<u>          </u>
Total other financing sources (uses)	<u>          </u>	<u>24,836</u>	<u>36,405</u>
Excess of revenues over (under) expenditures and other financing (uses)	(23,260)	25,489	(51,993)
FUND BALANCE, JULY 1, 2003	<u>28,452</u>	<u>82,395</u>	<u>170,297</u>
FUND BALANCE JUNE 30, 2004	<u>\$ 5,192</u>	<u>\$ 107,884</u>	<u>\$ 118,304</u>

<u>Fire Millage</u>	<u>Total</u>
\$ 325,186	\$ 455,120
2,462	4,421
<u>          </u>	<u>36,849</u>
<u>327,648</u>	<u>496,390</u>
	60,109
<u>6,014</u>	<u>225,652</u>
<u>6,014</u>	<u>285,761</u>
<u>321,634</u>	<u>210,629</u>
	61,241
<u>(279,640)</u>	<u>(279,640)</u>
<u>(279,640)</u>	<u>(218,399)</u>
41,994	(7,770)
<u>45,015</u>	<u>326,159</u>
<u>\$ 87,009</u>	<u>\$ 318,389</u>

PUTNAM TOWNSHIP  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - ALL DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2004

	Patterson Lake	Washtenaw County Sewer System No. 12	Total
REVENUES			
Special assessments - principal	\$ 172,572	\$ 104,056	\$ 276,628
Special assessments - interest	85,005	4,090	89,095
Interest income	<u>4,347</u>	<u>1,008</u>	<u>5,355</u>
Total revenues	261,924	109,154	371,078
EXPENDITURES			
Debt service	<u>239,266</u>	<u>195,127</u>	<u>434,393</u>
Excess of revenues over (under) expenditures	22,658	(85,973)	(63,315)
FUND BALANCE, JULY 1, 2003	<u>446,378</u>	<u>235,488</u>	<u>681,866</u>
FUND BALANCE JUNE 30, 2004	<u>\$ 469,036</u>	<u>\$ 149,515</u>	<u>\$ 618,551</u>

INDIVIDUAL  
FUNDS

GENERAL  
FUND

PUTNAM TOWNSHIP  
GENERAL FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 475,562
Accounts receivable	9,655
State shared revenue receivable	118,847
Due from other funds	<u>282,294</u>

Total assets		<u>\$ 886,358</u>
--------------	--	-------------------

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable		\$ 10,074
------------------	--	-----------

FUND BALANCE

Designated - senior citizens	\$ 403
Undesignated	<u>875,881</u>

Total fund balance		<u>876,284</u>
--------------------	--	----------------

Total liabilities and fund balance		<u>\$ 886,358</u>
------------------------------------	--	-------------------

PUTNAM TOWNSHIP  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 244,000	\$ 247,574	\$ 3,574
Licenses and permits	12,500	12,937	437
State shared revenues	358,833	355,180	(3,653)
Charges for services	61,500	63,070	1,570
Miscellaneous	<u>64,681</u>	<u>87,781</u>	<u>23,100</u>
Total revenues	<u>741,514</u>	<u>766,542</u>	<u>25,028</u>
EXPENDITURES			
Township board	100,871	96,826	4,045
Supervisor	33,750	32,986	764
Assessor	47,500	45,464	2,036
Election	3,000	1,110	1,890
Clerk	39,250	36,675	2,575
Board of review	2,500	1,100	1,400
Treasurer	58,750	58,290	460
Cemetery	2,000	1,400	600
Township hall	61,720	50,898	10,822
Public safety-fire department	289,000	279,642	9,358
Public safety-police	111,000	108,202	2,798
Unallocated	48,300	45,255	3,045
Highways, streets and bridges	200,000	166,342	33,658
Planning commission	<u>78,500</u>	<u>86,888</u>	<u>(8,388)</u>
Total expenditures	<u>1,076,141</u>	<u>1,011,078</u>	<u>65,063</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(334,627)</u>	<u>(244,536)</u>	<u>90,091</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	300,000	279,640	(20,360)
Transfers (out)	<u>(60,486)</u>	<u>(61,241)</u>	<u>(755)</u>
Total other financing sources (uses)	<u>239,514</u>	<u>218,399</u>	<u>(21,115)</u>
Excess (deficiency) of revenues over expenditures after other financing sources (uses)	(95,113)	(26,137)	68,976
FUND BALANCE, JULY 1, 2003	<u>902,421</u>	<u>902,421</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 807,308</u>	<u>\$ 876,284</u>	<u>\$ 68,976</u>



PUTNAM TOWNSHIP  
GENERAL FUND  
STATEMENT OF REVENUES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TAXES			
Current property taxes	\$ 244,000	\$ 247,574	\$ 3,574
LICENSES AND PERMITS			
Land use permits		10,635	
Special use permits		850	
Trailer permits		300	
Dog licenses		<u>1,152</u>	
Total licenses and permits	<u>12,500</u>	<u>12,937</u>	<u>437</u>
STATE SHARED REVENUES	<u>358,833</u>	<u>355,180</u>	<u>(3,653)</u>
CHARGES FOR SERVICES			
Tax collection fees		11,210	
Fire runs		36,405	
Board of appeals		9,950	
Zoning fees		3,750	
Site plan fees		1,350	
Land splits		<u>405</u>	
Total charges for services	<u>61,500</u>	<u>63,070</u>	<u>1,570</u>
MISCELLANEOUS REVENUES			
Metro act		8,159	
Miscellaneous		175	
Printed material		554	
Interest		5,863	
Cablevision fees		24,836	
Gravel pit		36,394	
Senior grant		<u>11,800</u>	
Total miscellaneous revenues	<u>64,681</u>	<u>87,781</u>	<u>23,100</u>
Total revenues	<u>\$ 741,514</u>	<u>\$ 766,542</u>	<u>\$ 25,028</u>

PUTNAM TOWNSHIP  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	Amended Budget	Actual	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Fees	\$	\$ 5,040	\$
Engineering		2,436	
Audit		7,275	
Legal		49,687	
Codification		2,500	
Storm water		5,433	
Publications		6,781	
Dues		4,741	
Data processing		5,232	
Bank charges		2,072	
DDA		4,507	
Miscellaneous		1,122	
	<u>100,871</u>	<u>96,826</u>	<u>4,045</u>
Total township board			
SUPERVISOR			
Salary		25,500	
Miscellaneous		407	
Clerical		6,779	
Conference		300	
	<u>33,750</u>	<u>32,986</u>	<u>764</u>
Total supervisor			
ASSESSOR			
Contract		40,600	
Data processing		1,860	
Supplies		3,004	
	<u>47,500</u>	<u>45,464</u>	<u>2,036</u>
Total assessor			
ELECTION			
Postage		291	
Supplies		597	
Equipment		222	
	<u>3,000</u>	<u>1,110</u>	<u>1,890</u>
Total election			

PUTNAM TOWNSHIP  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
CLERK			
Salary		25,500	
Clerical		9,962	
Data processing		900	
Supplies		254	
Miscellaneous		<u>59</u>	
Total clerk	<u>39,250</u>	<u>36,675</u>	<u>2,575</u>
BOARD OF REVIEW			
Fees	<u>2,500</u>	<u>1,100</u>	<u>1,400</u>
TREASURER			
Salary		25,500	
Tax statement preparation		4,902	
Clerical		23,694	
Supplies		1,301	
Data processing		1,148	
Postage		1,660	
Miscellaneous		<u>85</u>	
Total treasurer	<u>58,750</u>	<u>58,290</u>	<u>460</u>
CEMETERY			
Maintenance	<u>2,000</u>	<u>1,400</u>	<u>600</u>
TOWNSHIP HALL			
Ground maintenance		2,704	
Hall maintenance		4,503	
Copy maintenance		1,286	
Cleaning services		2,862	
Supplies		3,040	
Interest		799	
Telephone		5,212	
Utilities		6,876	
Security system		630	
Insurance		20,643	
Postage		441	
Miscellaneous		597	
Small equipment		100	
Meetings and conferences		<u>1,205</u>	
Total township hall	<u>61,720</u>	<u>50,898</u>	<u>10,822</u>

PUTNAM TOWNSHIP  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>PUBLIC SAFETY - FIRE DEPARTMENT</b>			
Fire person fees		147,362	
Clerical		5,636	
Payroll taxes		11,178	
Telephone		3,092	
Insurance		33,280	
Utilities		9,237	
Radios		5,379	
Gas and oil		4,402	
Ground maintenance		2,295	
Dues and subscriptions		9,391	
Computer equipment		539	
Training		9,752	
Fire fighter gear		8,156	
Uniforms		5,626	
Equipment maintenance		5,270	
Building maintenance		13,733	
Operating supplies and parts		3,304	
Miscellaneous		2,010	
	<u>289,000</u>	<u>279,642</u>	<u>9,358</u>
Total public safety - fire department			
<b>PUBLIC SAFETY - POLICE</b>			
Contracted services	<u>111,000</u>	<u>108,202</u>	<u>2,798</u>
<b>UNALLOCATED</b>			
Small equipment		2,452	
Clean up		9,389	
Township - FICA, Medicare and unemployment		15,571	
Gazebo and town square maintenance		5,903	
Miscellaneous		317	
Senior citizens		11,623	
	<u>48,300</u>	<u>45,255</u>	<u>3,045</u>
Total unallocated			
<b>HIGHWAYS, STREETS, BRIDGES</b>			
Road maintenance	<u>200,000</u>	<u>166,342</u>	<u>33,658</u>

PUTNAM TOWNSHIP  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - (continued)  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
PLANNING COMMISSION			
Fees		7,633	
Planning consultant		44,637	
Zoning administration		18,484	
Printing and publications		8,174	
Supplies		86	
Miscellaneous		2,749	
Board of appeals		<u>5,125</u>	
Total planning commission	<u>78,500</u>	<u>86,888</u>	<u>(8,388)</u>
Total expenditures	<u>\$ 1,076,141</u>	<u>\$ 1,011,078</u>	<u>\$ 65,063</u>

UNITY

PARK

FUND

PUTNAM TOWNSHIP  
UNITY PARK FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS  
Cash

\$ 5,192

FUND BALANCE

FUND BALANCE

\$ 5,192

PUTNAM TOWNSHIP  
UNITY PARK FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2004

REVENUES	
Donations	<u>\$      36,849</u>
EXPENDITURES	
Project costs	21,788
Capital outlay - park	<u>38,321</u>
Total expenditures	<u>60,109</u>
Excess of revenues over (under) expenditures	(23,260)
FUND BALANCE, JULY 1, 2003	<u>28,452</u>
FUND BALANCE, JUNE 30, 2004	<u><u>\$      5,192</u></u>



TOWNSHIP  
HALL  
IMPROVEMENT  
FUND

PUTNAM TOWNSHIP  
TOWNSHIP HALL IMPROVEMENT FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS  
Cash

\$ 107,884

FUND BALANCE

FUND BALANCE

\$ 107,884

PUTNAM TOWNSHIP  
TOWNSHIP HALL IMPROVEMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest	\$ 500	\$ 653	\$ 153
EXPENDITURES	<u>          </u>	<u>          </u>	<u>          </u>
Excess of revenues over expenditures	500	653	153
OTHER FINANCING SOURCES			
Transfers in	<u>23,000</u>	<u>24,836</u>	<u>1,836</u>
Excess of revenues over expenditures and other financing sources	23,500	25,489	1,989
FUND BALANCE, JULY 1, 2003	<u>82,395</u>	<u>82,395</u>	<u>          </u>
FUND BALANCE, JUNE 30, 2004	<u>\$ 105,895</u>	<u>\$ 107,884</u>	<u>\$ 1,989</u>

FIRE DEPARTMENT  
CAPITAL OUTLAY  
FUND

PUTNAM TOWNSHIP  
FIRE DEPARTMENT CAPITAL OUTLAY FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS

Cash

\$ 117,944

Due from others

360

Total assets

\$ 118,304

FUND BALANCE

FUND BALANCE

\$ 118,304

PUTNAM TOWNSHIP  
FIRE DEPARTMENT CAPITAL OUTLAY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Fire millage	\$	\$ 129,934	\$
Interest		<u>1,306</u>	
Total revenues	<u>126,000</u>	<u>131,240</u>	<u>5,240</u>
EXPENDITURES			
Downtown development		2,369	
Debt service			
Principal		199,805	
Interest		17,459	
Bank charges		<u>5</u>	
Total expenditures	<u>101,891</u>	<u>219,638</u>	<u>(117,747)</u>
Excess of revenues over (under) expenditures	24,109	(88,398)	(112,507)
OTHER FINANCING SOURCES			
Transfers in	<u>30,000</u>	<u>36,405</u>	<u>6,405</u>
Excess of revenues over (under) expenditures and other financing sources	54,109	(51,993)	(106,102)
FUND BALANCE, JULY 1, 2003	<u>170,297</u>	<u>170,297</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 224,406</u>	<u>\$ 118,304</u>	<u>\$ (106,102)</u>

FIRE MILLAGE FUND

PUTNAM TOWNSHIP  
FIRE MILLAGE FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS

Cash

\$ 365,858

Accounts receivable

792

Total assets

\$ 366,650

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to other funds

\$ 279,640

Due to other unit

1

Total liabilities

\$ 279,641

FUND BALANCE

87,009

Total liabilities and fund balance

\$ 366,650



PUTNAM TOWNSHIP  
FIRE MILLAGE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Fire millage	\$	\$ 325,186	\$
Interest		<u>2,462</u>	
Total revenues	<u>312,000</u>	<u>327,648</u>	<u>15,648</u>
EXPENDITURES			
Downtown development		5,928	
Miscellaneous		<u>86</u>	
Total expenditures	<u>10,000</u>	<u>6,014</u>	<u>3,986</u>
Excess of revenues over expenditures	302,000	321,634	19,634
OTHER FINANCING (USES)			
Transfers (out)	<u>(285,000)</u>	<u>(279,640)</u>	<u>5,360</u>
Excess of revenues over expenditures and other financing (uses)	17,000	41,994	24,994
FUND BALANCE, JULY 1, 2003	<u>45,015</u>	<u>45,015</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 62,015</u>	<u>\$ 87,009</u>	<u>\$ 24,994</u>

PATTERSON LAKE SEWER  
DEBT SERVICE FUND

PUTNAM TOWNSHIP  
PATTERSON LAKE SEWER  
DEBT SERVICE FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 469,036
Special assessment receivable - current	95,796
Deferred special assessments	<u>1,436,948</u>

Total assets		<u>\$ 2,001,780</u>
--------------	--	---------------------

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenues	\$ 1,532,744
-------------------	--------------

FUND BALANCE

<u>469,036</u>
----------------

Total liabilities and fund balance	<u>\$ 2,001,780</u>
------------------------------------	---------------------

PUTNAM TOWNSHIP  
PATTERSON LAKE SEWER  
DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Special assessments - principal	\$	\$ 172,572	\$
Special assessments - interest		85,005	
Interest income		<u>4,347</u>	
Total revenues	<u>217,034</u>	<u>261,924</u>	<u>44,890</u>
EXPENDITURES			
Bond - principal		139,554	
Bond - interest		94,370	
Miscellaneous		<u>5,342</u>	
Total expenditures	<u>234,424</u>	<u>239,266</u>	<u>(4,842)</u>
Excess of revenues over (under) expenditures	(17,390)	22,658	40,048
FUND BALANCE, JULY 1, 2003	<u>446,378</u>	<u>446,378</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 428,988</u>	<u>\$ 469,036</u>	<u>\$ 40,048</u>

WASHTENAW COUNTY SEWER  
SYSTEM NO. 12  
DEBT SERVICE FUND

PUTNAM TOWNSHIP  
WASHTENAW COUNTY SEWER SYSTEM NO. 12  
DEBT SERVICE FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS

Cash

\$ 149,779

LIABILITIES AND FUND BALANCE

LIABILITIES

Due to others

\$ 264

FUND BALANCE

149,515

Total liabilities and fund balance

\$ 149,779

PUTNAM TOWNSHIP  
WASHTENAW COUNTY SEWER SYSTEM NO. 12  
DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Special assessment - principal	\$	\$ 104,056	\$
Special assessment - interest		4,090	
Interest income		<u>1,008</u>	
Total revenues	<u>108,176</u>	<u>109,154</u>	<u>978</u>
EXPENDITURES			
Bond - principal		188,682	
Bond - interest		6,289	
Fees		<u>156</u>	
Total expenditures	<u>153,732</u>	<u>195,127</u>	<u>(41,395)</u>
Excess of revenues over (under) expenditures	(45,556)	(85,973)	(40,417)
FUND BALANCE, JULY 1, 2003	<u>235,488</u>	<u>235,488</u>	
FUND BALANCE, JUNE 30, 2004	<u>\$ 189,932</u>	<u>\$ 149,515</u>	<u>\$ (40,417)</u>

TRUST  
AND  
AGENCY  
FUND



PUTNAM TOWNSHIP  
TRUST AND AGENCY FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS  
Cash

\$ 14,763

LIABILITIES

LIABILITIES  
Due to others  
Due to other funds

\$ 14,654  
109

Total liabilities

\$ 14,763

CURRENT  
TAX  
COLLECTION  
FUND

PUTNAM TOWNSHIP  
CURRENT TAX COLLECTION FUND  
BALANCE SHEET  
JUNE 30, 2004

ASSETS

ASSETS

Cash

\$ 3,328

LIABILITIES

LIABILITIES

Due to other funds

\$ 2,545

Due to others

783

Total liabilities

\$ 3,328